

Billing Code 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RD13-3-000]

Commission Information Collection Activities (FERC-725A); Comment Request

AGENCY: Federal Energy Regulatory Commission.

ACTION: Comment request.

SUMMARY: In compliance with the requirements of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(a)(1)(D), the Federal Energy Regulatory Commission (Commission or FERC) is submitting the information collection FERC-725A, Mandatory Reliability Standards for the Bulk Power System, to the Office of Management and Budget (OMB) for review of the information collection requirements. Any interested person may file comments directly with OMB and should address a copy of those comments to the Commission as explained below. The Commission solicited public comments on the information collection analysis associated with its approval of Reliability Standard EOP-004-2, in an order published in the Federal Register (78 FR 420064, 7/15/2013). FERC received no comments in response to that solicitation and is making this notation in its submission to OMB.

 $^{^{1}}$ North American Electric Reliability Corp., 143 FERC ¶61,252 (2013).

DATES: Comments on the collection of information are due by [INSERT 30 days after publication of this Notice in the Federal Register].

ADDRESSES: Comments filed with OMB, identified by collection FERC-725A, should be sent via email to the Office of Information and Regulatory Affairs:

<u>oira_submission@omb.gov</u>. Attention: Federal Energy Regulatory Commission Desk Officer. The Desk Officer may also be reached via telephone at 202-395-4718.

A copy of the comments should also be sent to the Federal Energy Regulatory Commission, identified by the Docket No. RD13-3-000, by either of the following methods:

- eFiling at Commission's Web Site: http://www.ferc.gov/docs-filing/efiling.asp.
- Mail/Hand Delivery/Courier: Federal Energy Regulatory Commission,
 Secretary of the Commission, 888 First Street, NE, Washington, DC 20426.

Instructions: All submissions must be formatted and filed in accordance with submission guidelines at: http://www.ferc.gov/help/submission-guide.asp. For user assistance contact FERC Online Support by e-mail at ferconlinesupport@ferc.gov, or by phone at: (866) 208-3676 (toll-free), or (202) 502-8659 for TTY.

Docket: Users interested in receiving automatic notification of activity in this docket or in viewing/downloading comments and issuances in this docket may do so at http://www.ferc.gov/docs-filing/docs-filing.asp.

FOR FURTHER INFORMATION: Ellen Brown may be reached by e-mail at DataClearance@FERC.gov, by telephone at (202) 502-8663, and by fax at (202) 273-0873.

SUPPLEMENTARY INFORMATION:

Title: FERC-725A, Mandatory Reliability Standards for the Bulk Power System

OMB Control No.: 1902-0244.

Type of Request: Three-year approval of the FERC-725A information collection requirements.

Abstract: The change in this information collection relates to FERC-approved Reliability Standard EOP-004-2 – Event Reporting. Rather than creating entirely new obligations to report a system disturbance, the revised Reliability Standard, EOP-004-2, primarily clarifies the thresholds that can trigger a reporting obligation, and reduces the reporting burden for certain individual respondents due to the use of a simplified form in Attachment 2. However, the revised Reliability Standard would increase the reporting burden for some individual entities, because it would apply for the first time to transmission owners and generator owners. We do not anticipate a large increase in the number of respondents because the existing Reliability Standard applies to transmission operators and generator operators, which includes the majority of the entities registered as transmission owners and generator owners.

Our estimate below regarding the number of respondents is based on the NERC compliance registry as of March 2013. According to the registry, there are 7 transmission owners that are not also transmission operators, 128 generator owners that are not also generator operators, and 101 distribution providers that are not also registered as another functional entity covered by the current event reporting standards. Thus, we estimate that

a total of 236 entities may be subject to the event reporting requirements of EOP-004-2 for the first time.²

The number of annual reports required could vary widely based on the individual entity and the extent of its facilities. The estimate below is based on an assumption that, on average, 25 percent of the entities covered by EOP-004-2 will have one reportable event per year. As demonstrated below, the primary increase in cost associated with the revised standard is expected in Year 1, when newly covered entities must develop an operating plan for reporting. In Years 2 and 3, an overall *reduction* in reporting and recordkeeping burden is expected, due to the simplified reporting form.

Type of Respondents: Reliability Coordinator, Balancing Authority, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, and Distribution

Provider.³

Estimate of Annual Burden⁴:

Type of Respondent	Reporting/ Record- keeping Req't	Number of Respondents	Number of Responses Per Respondent	Total Number of Responses	Average Burden Hours per Response	Estimated Total Annual Burden	Estimated Total Annual Cost
		(A)	(B)	(A)x(B)=(C)	(D)	(C)x(D)	(see below)

² Although distribution providers are included as responsible entities under the revised Reliability Standard, their reporting obligations will be *de minimis*, as explained in the Guidelines and Technical Basis attached to the revised standard. *See* NERC Petition, Ex. B at 13, Docket No. RD13-3-000 (Dec. 31, 2012). For purposes of this analysis, however, we included distribution providers as part of the assumed number of reports per year.

³ These entity types are contained in the North American Electric Reliability Corporation's compliance registry. See http://www.nerc.com/page.php?cid=3|25 for more information.

⁴ Burden is defined as the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. For further explanation of what is included in the information collection burden, reference 5 Code of Federal Regulations 1320.3.

New Entities (GO, TO, DP)	Developing Operating Plan (Yr 1 Only)	236	1	236	8	1,888	\$113,280.00
	Reporting Event (Yr 1, 2, and 3)	59	1	59	0.17	10.03	\$601.80
Entities Subject to Existing Reporting Requirements	Conforming Operating Plan to New Thresholds (Yr 1 Only)	1164	1	1164	2	2,328	\$139,680.00
	Reporting Event (using new form) (Yrs 1, 2, and 3)	291	1	291	-0.33	-96.03	\$(5,761.80)
Total for Year 1 ⁵	ŕ					4,130	\$247,800
Total for each of Years 2 & 3						-86 ⁶	\$(5,160)

The estimated breakdown of annual cost is as follows:

Year 1

- New Entities, Development of Operating Plan: 236 entities * 1 response/entity * (8 hours/response * \$60/hour⁷) = \$113,280.
- New Entities, Event Reporting: 59 entities * 1 response/entity * (.17 hours/response * \$60/hour) = \$601.80.
- O Current Responsible Entities, Conforming Operating Plan: 1164 entities * 1 response/entity * (2 hours/response * \$60/hour) = \$139,680.

⁵ Year 1 costs include implementation costs for entities that must comply with the standard for the first time, plus the cost for entities that are currently subject to NERC event reporting requirements to review and make changes to their existing plans. The Year 1 total also includes the savings from the reduction in reporting time due to the new Event Reporting Form.

⁶ In the Order approving the EOP Reliability Standard we incorrectly used "-81" in this cell.

⁷ For the burden categories above, the estimated hourly loaded cost (salary plus benefits) for an engineer was assumed to be \$60/hour, based on salaries as reported by the Bureau of Labor Statistics (BLS) (http://bls.gov/oes/current/naics2_22.htm). Loaded costs are BLS rates divided by 0.703 and rounded to the nearest dollar (http://www.bls.gov/news.release/ecec.nr0.htm).

O Current Responsible Entities, Event Reporting Using New Event Reporting Form: 291 entities * 1 response/entity * [(.17 hours/response - .5 hours/response)⁸ * \$60/hour] = (\$5,761.80).

• Year 2 and ongoing

- New Entities, Using "Event Reporting Form": 59 entities * 1 response/entity * (.17 hours/response * \$60/hour) = \$601.80.
- Old Entities, Using "Event Reporting Form": 291 entities * 1 response/entity * [(.17 hours/response .5 hours/response) * \$60/hour] = (\$5,761.80).

Comments: Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Dated: September 16, 2013

Kimberly D. Bose, Secretary.

[FR Doc. 2013-23004 Filed 09/20/2013 at 8:45 am; Publication Date: 09/23/2013]

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⁸ It is estimated that the average time to complete the required event report under Reliability Standard EOP-004-1 is 30 minutes, versus an estimated 10 minutes under Reliability Standard EOP-004-2.